MATERIALRECOVERY INCREASEDBYDOUBLE DIGITSFORTHEFIFTH CONSECUTIVEYEAR

MANITOBAPRODUCT STEWARDSHIPCORPORATION ANNUALREPORT APRIL12004TOMARCH312005

Want to know more about recycling in Manitoba communities or find out more about MPSC's business plans and programs?

Visit our Web site at www.mpsc.com

The Manitoba Product Stewardship Corporation (MPSC) was established on January 1, 1995. The MPSC's core mandate as described in Manitoba Regulation 39/95 is:

A. to establish and administer a waste reduction and prevention (WRAP) program for designated materials for Manitoba consistent with the principles of sustainable development as set out in Section 1 of the Act;

B. to provide for the effective, efficient and economical management of waste materials; and

C. to administer the fund.

The Multi-Material WRAP Fund shall be used to provide or pay for any or all of the following:

A. the establishment and administration of a waste reduction and prevention program for designated material;

B. education programs for the purpose of the waste reduction and prevention program for designated material;

C. expenditures incurred in the collection, transportation, storage, processing and disposal of designated material in connection with the waste reduction and prevention program;

D. research and development activities related to the management of designated material;

E. promotion and development of activities and economic instruments to encourage reduction and prevention of waste-designated material;

F. the appropriate disposal of waste designated-material;

G. salaries and other costs of the Board and the Fund;

H. salaries and other costs of government for the administration and enforcement of the Act and this regulation as they relate to the responsibilities of the Board and the regulations respecting reduction and prevention of waste designated-material.

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$7.74 million was paid directly to Manitoba communities to support their local recycling programs.

MPSC Chair's Message

The Manitoba Product Stewardship Corporation has concluded another successful year in supporting recycling programs and activities in Manitoba in 2004–2005. As Chair of the MPSC, I can point with pride to the following accomplishments over this period:

- material recovery has increased by double digits for the fifth consecutive year, about 12% overall;
- programming and recovery has increased in all regions of the province;
- based on estimated generation numbers gathered through 2000 Residential Waste Composition studies, the overall recovery rate is equivalent to 70% of designated materials from residential sources;
- $7.74 million was paid directly to Manitoba communities to support their local recycling programs

The multi-material approach in Manitoba works. It works so well that it will offer us challenges as our fixed revenue source is called upon to fund expanding recycling programs. MPSC staff and Board of Directors have worked diligently to ensure MPSC core programming remains intact. In November 2004 the "Sustaining the MPSC Model 2004–2007 MPSC Business Plan" was approved by the Minister of Conservation. The business plan as developed does not answer all the challenges facing MPSC. It does however, provide a platform and time for meaningful discussion about the future of waste reduction in Manitoba.

In December 2003 there was an announcement of the development of an initiative referred to as Efficiency Manitoba, which, when up and running, will act as a one-stop-shop to coordinate and develop programming for energy, water, demand-side management and waste reduction. Efficiency Manitoba has been assigned the role of developing options for expanded product stewardship. In the meantime MPSC is responsible for its own sustainability and will need to balance the budget on a go-forward basis.

With the continued support and input from our stakeholders, the Corporation, through the hard and dedicated work of its staff and under the guidance of an engaged Board of Directors, is well positioned to play a key role in meeting the challenges ahead.

John Clarkson,

Chair

Message du président de la CMGPD

En 2004–2005, la Corporation manitobaine de gestion des produits désignés (CMGPD) a connu un autre exercice couronné de succès dans le soutien aux programmes et aux activités de recyclage au Manitoba. À titre de président de la Corporation, je peux mentionner avec fierté et appréciation les réalisations suivantes au cours de l'exercice 2004–2005 :

- la récupération des matériaux désignés s'est accrue de plus de 10 % pour la cinquième année consécutive; elle affiche une hausse générale d'environ 12 %;
- les programmes et la récupération ont connu une augmentation dans toutes les régions de la province;
- selon les données estimatives de production de déchets recueillies dans le cadre des études de composition des déchets résidentiels entreprises en 2000, le taux de récupération général des matériaux désignés de source résidentielle atteint 70 % des déchets produits;
- un montant de 7,74 millions de dollars a été versé directement aux collectivités manitobaines pour soutenir leurs programmes de recyclage locaux.

Un montant de 7,74 millions de dollars a été versé directement aux collectivités manitobaines pour soutenir leurs programmes de recyclage locaux.

L'approche du recyclage de matériaux multiples fonctionne au Manitoba. Elle fonctionne si bien que nous devrons relever des défis au cours des prochaines années, étant donné que nos revenus fixes devront financer des programmes de recyclage en expansion. Le personnel et le conseil d'administration de la CMGPD ont cherché avec diligence à maintenir l'intégralité des programmes de base de la Corporation. En novembre 2004, le ministre de la Conservation a approuvé le plan d'entreprise de la Corporation pour la période de 2004 à 2007, intitulé « Sustaining the MPSC Model » (assurer la viabilité du modèle de la CMGPD). Tel qu'élaboré, le plan d'entreprise ne résout pas tous les problèmes auxquels sera confrontée la Corporation. Il propose toutefois une plate-forme de discussion et prévoit le temps nécessaire pour des discussions sérieuses sur l'avenir de la réduction et de la prévention des déchets au Manitoba.

En décembre 2003, on a annoncé le lancement d'une initiative connue sous le nom d'Efficacité Manitoba qui, lorsqu'elle sera mise en oeuvre, servira de guichet unique pour la coordination et l'élaboration de programmes visant la conservation de l'énergie et de l'eau, la gestion axée sur la demande et la réduction des déchets. On a assigné à Efficacité Manitoba la tâche d'élaborer des options en vue de l'expansion de la gestion des produits désignés. Entre temps, la CMGPD demeure responsable de sa propre viabilité et elle devra ultimement équilibrer son budget si on lui permet d'aller de l'avant.

Grâce au soutien et à l'apport continus des intervenants du secteur, ainsi qu'au travail acharné et dévoué de son personnel et à l'orientation offerte par un conseil d'administration engagé, la Corporation occupe une position qui lui permet de jouer un rôle clé pour relever les défis de l'avenir.

John Clarkson,

Président

General Manager's Message

The public continues to demonstrate that, if given the opportunity, they will enthusiastically embrace recycling.

Our First Decade

On March 31, 2005, we closed the books on our first decade. For the fifth consecutive year there has been a double-digit increase in recovery. Increases in recovery have occurred in all regions of the province. The public continues to demonstrate that, if given the opportunity, they will enthusiastically embrace recycling. Recycling in Manitoba has net economic benefits: job creation (private and non-profit) and skills and knowledge, infrastructure development, procurement of goods and services (fuel, trucks, equipment, taxes), value from the sale of recyclables and landfill avoidance benefits. Environmental benefits include extending the life of existing landfills and saving costs in the development and sighting of new landfills. Manufacturers save energy and enjoy reduced raw materials costs by utilizing a consistent supply of recyclables.

The tools and funding that MPSC provides allow communities to confidently go forward and develop local recycling programs that are both economically and environmentally beneficial.

Municipal Residential Recycling

Recovery of eligible materials continues to rise, with 64,613 metric tonnes of recyclables collected for recycling or reuse, an increase of 12% over 2003/2004. On average, Manitobans recycled equivalent to 70% of MPSC-eligible packaging and paper they brought home. During fiscal 2004/2005, MPSC paid Manitoba municipalities $7.74 million in direct recycling support payments. This represents an increase in payouts of almost $264,000, or about 3.5%. This is the fifth year in a row that there has been a double-digit increase in recycling volumes. MPSC is now paying more than 100% of levy revenues to support community and municipal recycling programs. Provided there are no substantive changes to current programming, and with recycling maturing around the province, we expect growth to become more normalized at single-digit increases.

School and Youth Programs

This year MPSC also continued to support our next generation of recyclers, reusers and reducers. Through STAR, 725 K-S4 schools (about 80%) province-wide received funding as well as free materials including newsletters, posters, poster contests, the Environmental Speakers Bureau and www.virtualrecycling.com. Aside from recycling, many innovative recycling activities have been developed. MPSC also supports Manitoba Envirothon, an Olympic-style event aimed specifically at high school students.

STAR PLUS Program

2004/2005 was another successful year for the STAR PLUS program which, is available to all post-secondary institutions in Manitoba. Participants increased their recycling rates and completed detailed waste audits.

Promotion and Education

MPSC communicates with our varied stakeholders in many ways. Our corporate Web site www.mpsc.com, is updated regularly with facts and reports. Newsletters are produced and distributed biannually. MPSC has developed a monthly bulletin for municipalities and recyclers. Fact sheets are developed as part of our public relations process. Feedback is provided through Community Recycling Report Cards. Annual workshops are held throughout the province. MPSC offers toll-free telephone assistance and on-site visits. Press releases keep news and events in the public eye.

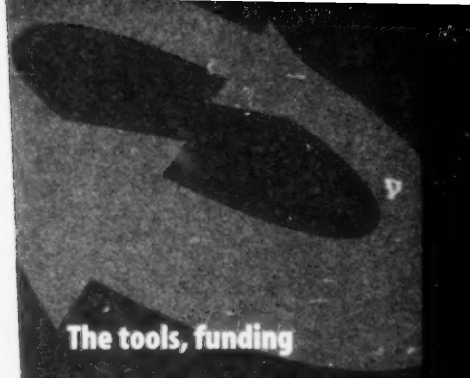
Marketing and Technical Support

The tools, funding and technical support MPSC provides ensure that there is no reason a community cannot have a cost-effective and successful recycling program. We provide one-on-one direct technical and marketing support through on-site visits and regional meetings, annual workshops, and the development of technical bulletins and fact sheets. Cost monitoring ensures we keep abreast of recycling cost trends. Revenue monitoring allows us to track the value of recyclables marketed.

Partnerships

MPSC once again partnered with various organizations, both to promote recycling and waste reduction and to gather data that allows for educated decision making. Our partners in 2004/2005 included:

- Resource Conservation Manitoba
- Fort Whyte Centre (Earthday)
- Take Pride Winnipeg
- Winnipeg Folk Festival
- Manitoba Envirothon
- National Waste Reduction Week
- Manitoba Conservation
- Manitoba Association for Resource Recovery Corporation (MARRC)
- Tire Stewardship Board
- Manitoba Hydro (Power Smart)
- Manitoba Energy Science and Technology Department (Efficiency Manitoba)
- Manitoba Ozone Protection Industry Association (MOPIA)



The tools, funding and technical support MPSC provides ensure that there is no reason that a community cannot have a cost-effective and successful recycling program.

This year's operating deficit increased directly as a result of another year of double-digit increase in recoveries of eligible materials, resulting in an increase in Municipal Recycling Support Payments of just under $264,000.

Managing Financial Resources

As first identified in the MPSC 2001/2002 Annual Report, we continue to draw down our reserve funds. This year's operating deficit increased directly as a result of another year of double-digit increase in recoveries of eligible materials, resulting in an increase in Municipal Recycling Support Payments of just under $264,000. MPSC continues to streamline costs of other programming to ensure our core programs remain funded.

Where from Here?

In 2000/2001 we signalled that MPSC would start incurring annual operating losses. Continued growth in the amount of designated materials recycled or reused has created challenges regarding the long-term sustainability of MPSC programming as it exists today.

MPSC has demonstrated fiscal responsibility in managing reserve funds in the early years, allowing support for growth as programs matured. Drawing on reserves has ensured programs could operate while a model is developed for establishing the second generation of community-based recycling initiatives.

Efficiency Manitoba has been tasked to develop options for expanded product stewardship for Manitoba. In the meantime, MPSC is responsible for its own sustainability.

Tough decisions about various funding programs will be made as MPSC moves to balance revenue and expenses.

With the support of the MPSC Board and the continued excellent work of the corporate staff, MPSC has earned broad-based stakeholder endorsement as the model for effective, efficient administration of recycling initiatives.

Jim Fogg,

General Manager

Message du directeur général

Notre première décennie

Le 31 mars 2005 marquait la fin de notre première décennie de fonctionnement. Pour la cinquième année consécutive, nous avons été témoins d'une augmentation de plus de 10 % de la récupération. On a observé une augmentation de la récupération dans toutes les régions de la province. La population a continué de démontrer, si on lui donne la possibilité, qu'elle adopte le recyclage avec enthousiasme. Au Manitoba, le recyclage offre des avantages économiques nets en termes de création d'emplois dans des entreprises à but lucratif et sans but lucratif, d'acquisition de compétences et de connaissances, de développement des infrastructures, d'achat de biens et de services (carburant, camions, matériel, taxes), de valeur des ventes de matières recyclables et de réduction des déchets mis en décharge. Les avantages pour l'environnement comprennent la prolongation de la durée de vie des décharges existantes et les économies de coûts au plan du développement et du choix du site des nouvelles décharges. Les fabricants économisent de l'énergie et profitent de la réduction du coût de leurs matières premières en ayant recours à un approvisionnement constant en matières recyclées.

La population a continué de démontrer, si on lui donne la possibilité, qu'elle adopte le recyclage avec enthousiasme.

Les outils et le financement offerts par la Corporation permettent aux collectivités d'aller de l'avant avec confiance et de mettre en œuvre des programmes de recyclage locaux qui offrent des avantages économiques et environnementaux.

Recyclage résidentiel municipal

La récupération des matériaux admissibles continue d'augmenter. Environ 64 613 tonnes métriques de matières recyclables ont été recueillies pour le recyclage ou la réutilisation, soit une augmentation de 12 % par rapport à l'exercice 2003-2004. En moyenne, les Manitobains ont recyclé 70 % des emballages et du papier admissibles par la Corporation qui se rendaient à leurs résidences. Au cours de l'exercice 2004-2005, la Corporation a versé aux municipalités manitobaines près de 7,75 millions de dollars en paiements de soutien directs au recyclage. Ce montant correspond à une hausse de plus de 264 000 $ ou d'environ 3,5 % par rapport à l'exercice antérieur. Pour la cinquième année consécutive, l'accroissement de la quantité de matières recyclées et des paiements dépasse les 10 %. La Corporation alloue présentement plus de 100 % des recettes provenant de la taxe environnementale au soutien des programmes de recyclage communautaires. Étant donné que le recyclage arrive à maturité dans la province, si aucune modification n'est apportée à la programmation actuelle, nous prévoyons que la croissance deviendra plus normale et affichera des hausses de moins de 10 %.

Programmes destinés aux jeunes et aux écoles

La Corporation continue de soutenir la prochaine génération de partisans de la réduction, de la réutilisation et du recyclage. Environ 80 % des écoles manitobaines (725 écoles), de la maternelle à Secondaire 4, bénéficient du soutien financier du programme STAR

Les outils de promotion, le financement et le soutien technique offerts par la Corporation veillent à ce qu'aucun motif n'empêche une collectivité de mettre en place un programme de recyclage rentable et couronné de succès.

(Action étudiante pour le recyclage). Elles reçoivent également du matériel de soutien gratuit, qui prend la forme de bulletins d'information, de concours d'affiches, du service de conférenciers environnementaux et du site Web www.virtualrecycling.com. En plus des activités de recyclage, les écoles participantes ont élaboré de nombreuses activités environnementales novatrices. La Corporation soutient également le Manitoba Envirothon, une activité inspirée des Jeux olympiques qui s'adresse particulièrement aux élèves des écoles secondaires.

Programme STAR PLUS

L'exercice 2004-2005 a souligné la réussite continue du programme STAR PLUS, qui s'adresse à tous les établissements d'enseignement postsecondaire de la province. Les participants ont accru leurs taux de recyclage et ont effectué des vérifications de déchets détaillées.

Promotion et éducation

La Corporation communique avec les intervenants du secteur de diverses manières. Elle met périodiquement à jour son site Web www.mpsc.com en postant des faits et des rapports. Elle produit et distribue des bulletins d'information sur une base semestrielle. Elle a élaboré un bulletin mensuel à l'intention des municipalités et des entreprises de recyclage. Dans le cadre de ses relations publiques, elle produit des fiches de renseignements. Elle offre une rétroaction par la distribution de rapports sommaires sur le recyclage communautaire. Elle organise des ateliers annuels et des assemblées dans toutes les régions de la province. Elle offre une aide téléphonique gratuite et des visites sur place. Elle utilise des communiqués de presse pour faire la publicité de divers événements et diffuser des nouvelles.

Commercialisation et soutien technique

Les outils de promotion, le financement et le soutien technique offerts par la Corporation veillent à ce qu'aucun motif n'empêche une collectivité de mettre en place un programme de recyclage rentable et couronné de succès. La Corporation offre un soutien technique et commercial individuel par le biais de visites sur place, d'assemblées régionales, d'ateliers annuels et de la préparation de bulletins techniques et de fiches de renseignements. Le contrôle des coûts nous permet de nous tenir au courant des tendances des coûts du recyclage, tandis que le contrôle des recettes nous permet d'assurer le suivi de la valeur des matières recyclables commercialisées.

Partenariats

La Corporation a établi des partenariats stratégiques avec divers organismes, tant pour promouvoir le recyclage et la réduction des déchets que pour recueillir des données qui permettent de prendre des décisions éclairées. En 2004-2005, nos partenaires comprenaient les organismes suivants :

- Resource Conservation Manitoba
- Centre environnemental de Fort Whyte (Journée de la Terre)
- Sois fière Winnipeg

- Festival folk de Winnipeg
- Manitoba Envirothon
- Semaine nationale de réduction des déchets
- Conservation Manitoba
- Manitoba Association for Resource Recovery Corporation (MARCC)
- Tire Stewardship Board
- Manitoba Hydro (programmes Éconergiques)
- Énergie, Sciences et Technologie Manitoba (Efficacité Manitoba)
- Manitoba Ozone Protection Industry Association (MOPIA).

Gestion des ressources financières

Tel qu'indiqué d'abord dans le rapport annuel de 2001-2002 de la Corporation, nous continuons de réduire nos fonds de réserve. Le déficit de fonctionnement s'est accru au cours de l'exercice 2004-2005, directement en raison, cette année encore, d'une augmentation de plus de 10 % de la quantité de produits désignés récupérés, qui s'est traduite par une hausse des paiements de soutien municipaux au recyclage d'un peu moins de 264 000 $. La Corporation continue de rationaliser les coûts des autres programmes afin d'assurer le financement continu de ses programmes de base.

Quel est l'avenir?

En 2000-2001, nous avons indiqué que la Corporation commencerait à subir des pertes d'exploitation annuelles. La croissance continue de la quantité de matériaux désignés recyclés ou réutilisés a soulevé le défi du maintien à long terme des programmes actuels de la Corporation.

La Corporation a fait preuve de responsabilité financière en gérant le fonds de réserve au cours de ses premières années d'existence et en soutenant une certaine croissance au fur et à mesure de l'évolution des programmes. Le recours au fonds de réserve a permis la mise en œuvre des programmes, tout en élaborant un modèle pour définir et établir les projets de recyclage communautaires de la deuxième génération.

On a assigné à Efficacité Manitoba la tâche d'élaborer des options en vue de l'expansion de la gestion des produits désignés. Entre temps, la CMGPD demeure responsable de sa propre viabilité.

La Corporation devra prendre des décisions difficiles sur le financement de divers programmes en s'orientant vers l'équilibre budgétaire.

Grâce au soutien de son conseil d'administration et à l'excellent travail de son personnel, la Corporation a bénéficié d'un large soutien des intervenants du secteur pour son modèle d'administration efficace des initiatives de recyclage.

Jim Fogg,

directeur général

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Municipal Programs

The Multi-Material WRAP Fund shall be used to provide or pay for any or all of the following:

A. the establishment and administration of a waste reduction and prevention program for designated material;

B. education programs for the purpose of the waste reduction and prevention program for designated material;

C. expenditures incurred in the collection, transportation, storage, processing and disposal of designated material in connection with the waste reduction and prevention program;

D. research and development activities related to the management of designated material;

E. promotion and development of activities and economic instruments to encourage reduction and prevention of waste-designated material;

F. the appropriate disposal of waste-designated material;

G. salaries and other costs of the Board and the Fund;

H. salaries and other costs of government for the administration and enforcement of the Act and this regulation as they relate to the responsibilities of the Board and the regulations respecting reduction and prevention of waste-designated material.

A Message from the Manager

The 2004/2005 fiscal year marked the end of the first decade of MPSC's municipal recycling support payment funding system. And what a success those 10 years have been for community-based recycling in Manitoba. Over that time, MPSC's Municipal Programs have seen consistent increases in the recovery of designated materials and the cost-effectiveness of participating, local, recycling programs. The result is that we, as a province, are recycling more and more of the packaging and printed material we generate. The pages that follow provide a summary of the achievements made in recycling over the past year.

As we enter the second decade of the MPSC system, we find ourselves in interesting and challenging times indeed. We are at the point now where the expectations regarding the MPSC are outstripping its fiscal realities. I anticipate that much of the focus of the MPSC and our stakeholders over the next decade will be on managing the relationship between expectations and reality.

In 2004/2005 MPSC initiated the process by taking a number of major steps forward in addressing many important issues related to the municipal recycling funding system. But much more work needs to be done.

The good news is that MPSC has built a solid foundation for moving forward. The program has demonstrated continuous improvement in recovery potential and cost efficiency, and I thank everyone who continues to make the program such a success (both at the MPSC and in the communities participating).

We look forward to working with all our stakeholders to continue to improve the performance of Manitoba's community-based recycling system.

Mike Fernandes,

Senior Manager

Municipal programs have demonstrated continuous improvement in recovery potential and cost efficiency.

Did You Know?

64,613 metric tonnes

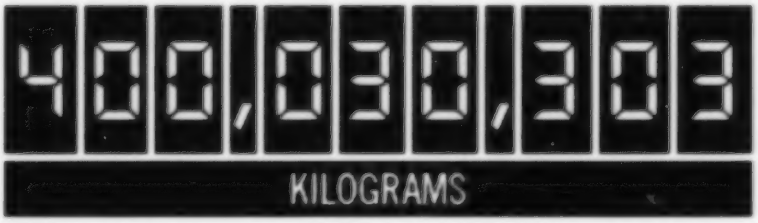
= 64,613,000 kilograms

= 142,446,000 pounds

That is over 55 kgs (approximately 122 pounds) of packaging and printed material recycled per Manitoban last year just through MPSC-funded local recycling programs. This does not include the recycling of non-MPSC materials, or the recycling of aluminum, metal and plastic containers directly delivered to brokers by individuals or charitable organizations.

Recovery of Eligible Materials

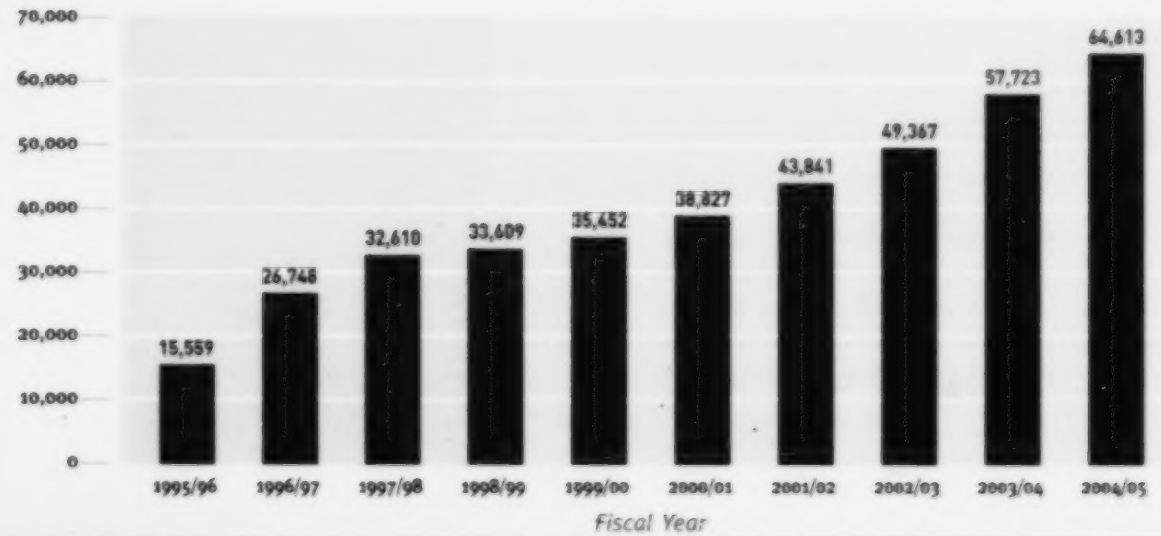
Manitobans recycled approximately 64,613 metric tonnes of packaging and printed material through local MPSC-funded municipal recycling programs. This represents an increase of 6,890 tonnes (approximately 12%) over the previous period.



This is how much eligible household material has been recycled since 1995 with funding support from the MPSC!

Go to www.mpsc.com for details **Updated quarterly. Last update: 03/2005**

Chart 1 — Recovery of Residential Materials in Metric Tonnes



Municipal Recycling in Manitoba: MPSC Regions

Since 1995 MPSC has provided financial and technical support to recycling programs operated by Manitoba communities, including municipal corporations, provincial and federal parks, First Nations and Northern Affairs reserves.

Participation in the MPSC programs is voluntary. These communities are not required by law to have recycling programs. However, with over 10 years of funding support from MPSC, well-established local recycling programs have expanded into all regions of the province.

As the table below indicates, the number of communities participating in each MPSC region varies, as does the overall level of recycling activity. Aside from the funding and technical support provided by MPSC, community initiative has been the driving force behind the level of recycling activity in each region.

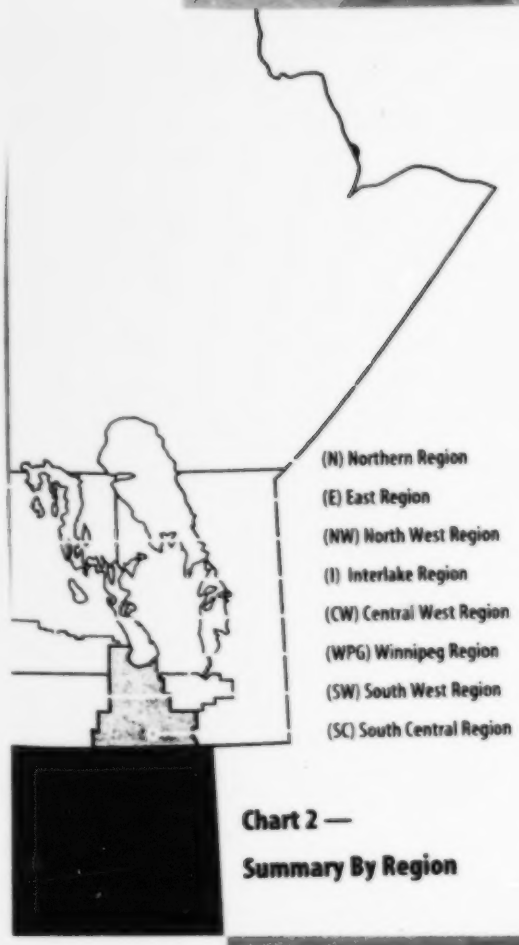


Chart 2 — Summary By Region

Note: Not all materials recycled through Manitoba community recycling programs are eligible for MPSC recycling support payments (for example, corrugated cardboard from commercial establishments).

	Number of communities participating	Population in participating communities	Total kilograms recycled	Average kgs recycled per person
Central West	32	26,484	1,496,783	56.5
East	29	73,840	4,419,766	59.9
Interlake	21	62,361	2,639,098	42.3
North	14	45,059	1,665,914	37.0
North West	20	30,251	1,405,891	46.5
South Central	36	80,197	5,333,657	66.5
South West	40	83,621	6,202,225	74.2
Winnipeg	11	670,227	41,449,214	61.8
Total	203	1,072,040	64,612,548	60.27

Did You Know?

Under the MPSC system, participating communities and/or their recycling agents also keep all revenue from selling recyclables to brokers and/or end users. Based on market revenue information submitted to MPSC, this resulted in between $6 and $7 million additional revenue to Manitoba communities in 2004/2005. And, it's also useful to remember that there is an economic benefit to keeping these materials out of local landfills (also called the *avoided cost of disposal*). For Manitoba communities, the economic benefits of recycling are many!

Municipal Recycling Support Payments

MPSC funds participating community recycling programs through an incentive-based system. Communities are paid a fixed rate for every metric tonne of eligible material recycled by their residents through registered recycling programs.

Last year, MPSC paid participating municipalities $7.74 million. This was an increase in payments of approximately $264,000 from the previous year and was once again driven directly by another year of significant growth in the number of tonnes recycled by participating municipalities.

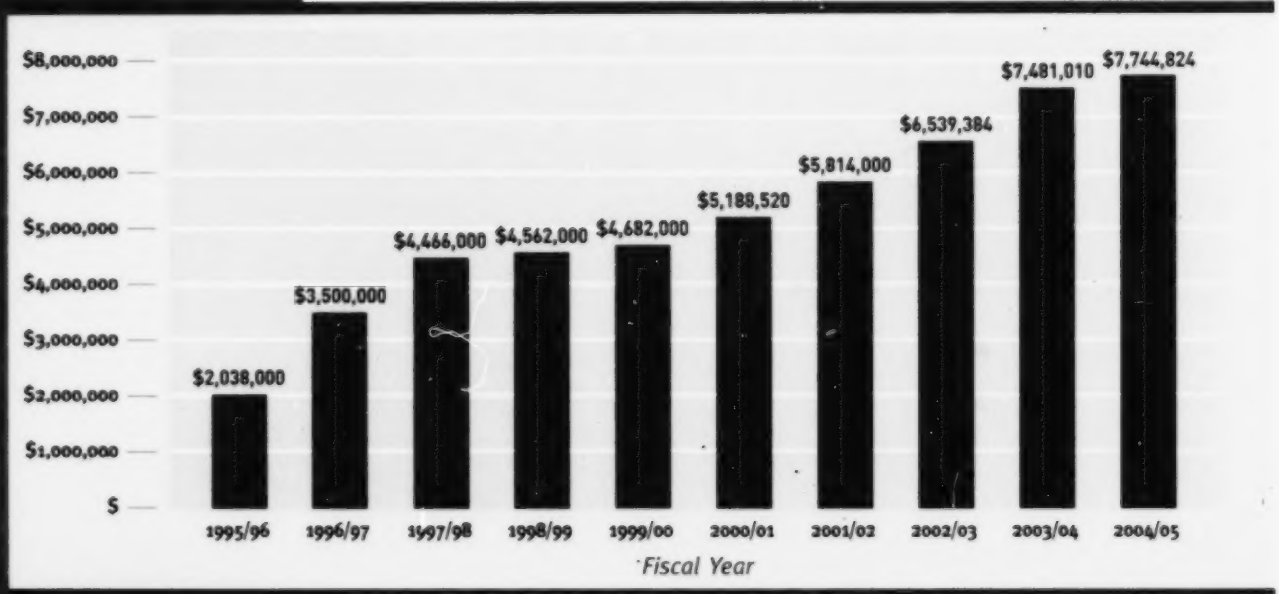
A number of changes in the municipal funding system were introduced in the 2004/2005 fiscal year following approval of MPSC's 2004–2007 Business Plan. As a result of these changes, adjustments were made to municipal recycling support payment rates paid to participating municipalities. The table below summarizes the funding rates paid to participating communities in 2004/2005.

Funding Rates (April 2004 to March 2005)	
City of Winnipeg	$110 per tonne
City of Brandon	$140 per tonne
Communities with populations between 5,001 and 15,000	$145 per tonne
Communities with populations between 1,001 and 5,000	$162 per tonne
Communities with populations between 0 and 1,000	$185 per tonne

Municipal funding rates are expected to fluctuate year to year, according to the dynamic nature of the recycling market.

The table on the next few pages shows how much of the $7.74 million distributed by MPSC flowed to each participating community in the province.

Chart 3 — Municipal Recycling Support Payments



Summary of MPSC Payments and Tonnes Recycled by Participating Community

REGISTERED COMMUNITY	REGION	POPULATION	04-05 FUNDING RATE	TOTAL MPSC PAYMENTS RECEIVED BY COMMUNITY IN 04-05	TOTAL TONNES RECYCLED IN 04-05
Note: red text indicates newly registered communities					
Alexander, R.M.	E	2,780	$162	$16,523	101.99
Altona, Town	SC	3,434	$162	$43,671	330.64
Arborg, Town	I	959	$185	$7,502	64.50
Argyle, R.M.	SC	1,145	$162	$2,058	12.70
Armstrong, R.M.	I	1,905	$162	$4,164	25.70
Arthur, R.M.	SW	480	$185	$3,131	27.55
Beausejour, Town	E	2,772	$162	$28,860	197.94
Benito, Village	NW	415	$185	$5,095	27.54
Berens River First Nation	E	1,072	$162		*no claims rec'd*
Bifrost, R.M.	I	2,967	$162	$20,647	202.71
Binscarth, Village	CW	445	$185	$3,360	39.17
Birtle, R.M.	CW	749	$185	$5,620	34.56
Birtle, Town	CW	715	$185	$5,364	32.99
Blanshard, R.M.	CW	686	$185	$4,040	21.84
Boissevain, Town	SW	1,495	$162	$9,141	72.82
Bowsman, Village	NW	320	$185	$2,760	15.89
Brandon, City	SW	39,716	$140	$410,647	4,647.54
Brenda, R.M.	SW	616	$185		*no claims rec'd*
Brokenhead, R.M.	E	3,877	$162	$40,364	276.84
Buffalo Point First Nation	E	1,000	$185	$2,622	16.72
Cameron, R.M.	SW	496	$185		*no claims rec'd*
Canupawakapa Dakota N (OakLake)	SW	276	$185		*no claims rec'd*
Carberry, Town	SW	1,513	$162	$14,568	115.75
Carman, Town	SC	2,831	$162	$33,997	254.93
Cartier, R.M.	WPG	3,120	$162	$15,132	92.21
Cartwright, Village	SC	304	$185	$2,941	15.90
Churchill, Town	N	963	$185	$1,190	8.29
Clanwilliam, R.M.	CW	467	$185	$2,207	17.72
Coldwell, R.M.	I	1,320	$162	$15,126	93.37
Cornwallis, R.M.	SW	3,779	$162	$13,970	86.24
Crystal City, Village	SC	414	$185	$8,251	44.60
Dauphin, City	NW	8,085	$145	$67,772	472.59
Dauphin, R.M.	NW	2,273	$162	$21,287	132.86
De Salaberry, R.M.	E	3,227	$162	$10,776	69.02
Deloraine, Town	SW	1,026	$162	$9,508	58.69
Duck Mountain	NW	seasonal	$185		*no claims rec'd*
Dufferin, R.M.	SC	2,405	$162	$1,509	11.47
Dunnottar, Village	I	489	$185	$1,566	8.46
East St. Paul, R.M.	WPG	7,677	$145	$89,573	613.45
Edward, R.M.	SW	679	$185		*no claims rec'd*
Elkhorn, Village	SW	470	$185	$4,523	27.30
Ellice, R.M.	CW	509	$185	$224	1.21
Elton, R.M.	SW	1,321	$162	$3,141	21.66
Emerson, Town	SC	655	$185	$8,254	44.62
Erickson, Town	CW	448	$185	$2,091	16.79
Eriksdale, R.M.	I	889	$185	$11,633	62.88
Ethelbert, R.M.	NW	459	$185	$3,709	20.05

Want to know more about recycling in Manitoba communities or find out more about MPSC's business plans and programs?

Visit our Web site at www.mpsc.mb.ca

Did You Know?

Last year, MPSC paid participating municipalities almost $7.74 million. Since 1995, participating Manitoba communities have received about $52 million from MPSC to support local recycling.

REGISTERED COMMUNITY	REGION	POPULATION	04-05 FUNDING RATE	TOTAL MPSC PAYMENTS RECEIVED BY COMMUNITY IN 04-05	TOTAL TONNES RECYCLED IN 04-05
Note: red text indicates newly registered communities					
Ethelbert, Village	NW	335	$185	$2,708	14.63
Falcon Lake/Westhawk (WPP)	E	0	$185	$25,715	148.44
Fisher, R.M.	I	2,049	$162	$23,459	146.78
Flin Flon, City	N	6,000	$145	$48,580	390.30
Franklin, R.M.	E	1,781	$162	$15,373	94.90
Gilbert Plains, Town	NW	757	$185	$4,545	24.57
Gillam, Town	N	1,178	$162	$3,854	28.64
Gimli, R.M.	I	5,158	$145	$50,221	347.64
Gladstone, Town	SC	848	$185	$13,644	86.87
Glenboro, Village	SW	656	$185	$11,160	73.14
Glenwood, R.M.	SW	697	$185	$9,323	58.54
Grahamdale, R.M.	I	1,500	$162	$6,842	43.92
Grand Rapids, Town	N	355	$185		*no claims rec'd*
Grandview, R.M.	NW	839	$185	$5,156	27.87
Grandview, Town	NW	814	$185	$5,002	27.04
Gretna, Town	SC	563	$185	$5,306	34.55
Grey, R.M.	SC	2,147	$162	$9,454	58.35
Hamiota, R.M.	CW	479	$185	$4,365	25.98
Hamiota, Town	CW	858	$185	$7,817	46.53
Hanover, R.M.	E	10,789	$145	$71,561	568.37
Harrison, R.M.	CW	837	$185	$3,188	17.24
Hartney, Town	SW	446	$185		*no claims rec'd*
Headingley, R.M.	WPG	1,907	$162	$20,265	124.79
Kelsey, R.M.	N	2,520	$162	$8,795	79.70
Killarney, Town	SW	2,221	$162	$15,795	115.34
La Broquerie, R.M.	E	2,894	$162	$23,307	165.79
Lac du Bonnet, R.M.	E	2,405	$162	$30,910	190.83
Lac du Bonnet, Town	E	1,089	$162	$13,914	88.89
Lake St. Martin First Nation	I	1,300	$162		*no claims rec'd*
Lakeview, R.M.	SC	384	$185	$1,434	7.75
Langford, R.M.	CW	784	$185	$4,295	23.22
Lansdowne, R.M.	CW	877	$185	$2,778	15.69
Lawrence, R.M.	NW	540	$185	$2,190	11.84
Leaf Rapids, Town	N	1,309	$162		*no claims rec'd*
Lorne, R.M.	SC	2,033	$162	$12,588	77.95
Louise, R.M.	SC	989	$185	$2,327	12.58
MacDonald, R.M.	WPG	5,320	$145	$23,119	158.35
MacGregor, Village	SC	882	$185		*no claims rec'd*
Manitou, Town	SC	775	$185	$5,925	35.10
MB Conservation - Paint Lake	N	1,500	$162	$2,246	12.75
McCreary, R.M.	CW	525	$185	$3,247	17.56
McCreary, Village	CW	522	$185	$3,247	17.56
Melita, Town	SW	1,111	$162	$6,344	63.77
Miniota, R.M.	CW	969	$185	$3,311	17.90
Minitonas, Town	NW	538	$185	$3,890	22.43
Minnedosa, Town	CW	2,426	$162	$47,231	302.65
Minto, R.M.	CW	684	$185		*no claims rec'd*
Montcalm, R.M.	SC	1,400	$162	$7,973	49.30
Morden, Town	SC	6,142	$145	$67,206	1,018.38
Morris, Town	SC	1,673	$162	$13,346	82.38
Morton, R.M.	SW	760	$185	$5,377	37.51
Mountain, R.M.	NW	1,589	$162	$341	3.26

REGISTERED COMMUNITY	REGION	POPULATION	04-05 FUNDING RATE	TOTAL MPSC PAYMENTS RECEIVED BY COMMUNITY IN 04-05	TOTAL TONNES RECYCLED IN 04-05
Note - red text indicates newly registered communities					
Neepawa, Town	CW	3,325	$162	$42,684	298.92
Nisichawayasihk Cree Nation	N	2,345	$162	$196	1.86
Niverville, Town	E	1,921	$162	$36,105	257.27
North Cypress, R.M.	SW	1,853	$162	$8,148	63.28
North Norfolk, R.M.	SC	2,941	$162	$24,734	179.27
Norway House Cree Nation	N	4,165	$162		*no claims rec'd*
Notre Dame de Lourdes, Village	SC	619	$185	$3,654	19.75
Oak Lake, Town	SW	359	$185	$1,119	6.05
Oakland, R.M.	SW	1,111	$162	$4,730	29.20
Ochre River, R.M.	NW	952	$185	$6,452	34.88
Opaskwayak Cree Nation	N	2,657	$162	$9,274	84.03
Park, R.M.	CW	1,228	$162	$5,084	46.64
Peguis First Nation	I	3,121	$162		*no claims rec'd*
Pembina, R.M.	SC	1,769	$162	$11,844	80.12
Pilot Mound, Town	SC	676	$185	$14,799	79.99
Pinawa, L.G.D.	E	1,500	$162	$20,451	128.42
Pine Falls	E	750	$185	$8,619	49.17
Piney, R.M.	E	1,688	$162	$8,328	59.39
Pipestone, R.M.	SW	1,567	$162	$2,795	17.26
Plum Coulee, Town	SC	725	$185	$7,997	43.88
Portage la Prairie, City	SC	12,976	$145	$189,392	1,269.94
Portage La Prairie, R.M.	SC	6,791	$145	$68,993	475.82
Powerview, Village	E	750	$185	$3,994	21.59
Rapid City, Town	CW	424	$185	$4,331	23.41
Reynolds, R.M.	E	1,298	$162	$15,511	109.91
Rhineland, R.M.	SC	4,183	$162	$6,971	51.83
Riding Mountain National Park	CW	300	$185	$1,510	12.13
Ritchot, R.M.	WPG	4,958	$162	$26,024	159.20
Rivers, Town	SW	1,119	$162	$5,287	32.64
Riverside, R.M.	SW	856	$185	$770	4.16
Riverton, Village	I	594	$185	$4,643	39.93
Roblin, R.M.	SC	955	$185	$4,411	23.84
Roblin, Town	NW	1,818	$162	$19,218	179.42
Rockwood, R.M.	I	7,654	$145	$12,988	89.68
Roland, R.M.	SC	1,035	$162	$4,405	27.19
Rolling River First Nation	CW	365	$185		*no claims rec'd*
Rosedale, R.M.	CW	1,598	$162	$420	2.59
Rossburn, R.M.	CW	524	$185	$7,488	42.49
Rossburn, Town	CW	568	$185	$3,924	22.99
Rosser, R.M.	WPG	1,412	$162	$4,853	37.85
Russell, R.M.	CW	544	$185	$4,108	47.88
Russell, Town	CW	1,587	$162	$10,491	139.69
Sagkeeng F.N (Fort Alexander)	E	3,017	$162		*no claims rec'd*
Selkirk, City	I	9,752	$145	$100,691	771.39
Shoal Lake, R.M.	CW	578	$185	$10,108	67.37
Shoal Lake, Town	CW	801	$185	$14,009	93.37
Sifton, R.M.	SW	766	$185	$2,723	14.72
Siglunes, R.M.	I	1,513	$162		*no claims rec'd*
Snow Lake, Town	N	1,207	$162	$10,338	72.44
Somerset, Village	SC	459	$185	$9,508	41.58
Souris, Town	SW	1,683	$162	$19,713	141.36

Did You Know?

Since 1995, Manitobans have recycled over 400,000 metric tonnes (almost 900 million pounds!) of valuable resources through MPSC-funded recycling programs. That is equivalent to almost 60,000 garbage trucks full of recyclable material!

Did You Know?

MPSC offers communities more than financial support. Participating communities also have access to tools designed to help their local recycling programs become more effective and cost-efficient. You can find out more by visiting our Web site at www.mpsc.com.

REGISTERED COMMUNITY	REGION	POPULATION	04-05 FUNDING RATE	TOTAL MPSC PAYMENTS RECEIVED BY COMMUNITY IN 04-05	TOTAL TONNES RECYCLED IN 04-05
Note - red text indicates newly registered communities.					
South Cypress, R.M.	SW	821	$185	$587	3.85
South Norfolk, R.M.	SC	1,246	$162	$2,363	14.59
Split Lake (Tataskweyak C N)	N	1,809	$162		*no claims rec'd*
Springfield, R.M.	WPG	12,602	$145	$49,386	337.31
St. Andrews, R.M.	I	10,695	$145	$53,988	382.26
St. Claude, Village	SC	558	$185	$10,962	59.26
St. Clements, R.M.	E	9,115	$145	$26,431	182.28
St. François-Xavier, R.M.	WPG	1,024	$162	$4,040	24.94
St. Laurent, R.M.	I	1,172	$162		*no claims rec'd*
St. Lazare, Village	CW	265	$185	$116	0.63
St. Pierre-Jolys, Village	E	893	$185	$11,543	62.39
Stanley, R.M.	SC	5,139	$145		*no claims rec'd*
Ste. Anne, R.M.	E	4,427	$162	$3,395	22.82
Ste. Anne, Town	E	1,513	$162	$26,381	175.44
Ste. Rose du Lac, Town	NW	1,047	$162	$11,761	72.60
Ste. Rose, R.M.	NW	895	$185		*no claims rec'd*
Steinbach, City	E	9,227	$145	$145,903	1,160.53
Stonewall, Town	I	4,012	$162	$24,488	151.34
Strathclair, R.M.	CW	892	$185	$9,262	50.06
Strathcona, R.M.	SW	628	$185	$2,796	15.11
Stuartburn, R.M.	E	1,603	$162	$9,289	66.38
Swan River, Town	NW	4,032	$162	$41,125	294.93
Swan River, R.M.	NW	2,923	$162		*no claims rec'd*
Taché, R.M.	WPG	8,578	$145	$40,728	304.72
Teulon, Town	I	1,058	$162	$6,349	39.24
The Pas, Town	N	5,795	$145	$29,190	183.27
Thompson, City	N	13,256	$145	$81,024	804.64
Thompson, R.M.	SC	1,333	$162	$4,790	29.57
Treherne, Town	SC	644	$185	$9,489	51.29
Turtle Mountain, R.M.	SW	1,146	$162	$15,795	115.34
Victoria Beach, R.M.	E	265	$185	$9,888	53.45
Victoria, R.M.	SC	1,181	$162	$11,401	70.38
Virden, Town	SW	3,109	$162	$24,525	155.00
Wallace, R.M.	SW	1,547	$162	$12,080	76.34
Waskada, Village	SW	208	$185		*no claims rec'd*
Wawanesa, Village	SW	516	$185	$7,766	41.98
West St. Paul, R.M.	WPG	4,085	$162	$20,726	127.94
Whitehead, R.M.	SW	1,457	$162	$9,223	59.05
Whitemouth, R.M.	E	1,617	$162	$19,323	136.92
Whiteshell Prov Park - W.C.A.	E	570	$185	$2,924	17.09
Whitewater, R.M.	SW	725	$185	$3,597	19.45
Winkler, City	SC	7,943	$145	$69,435	637.29
Winnipeg Beach, Town	I	801	$185	$21,102	129.26
Winnipeg, City (Curbside)	WPG	619,544	$110	$4,362,085	38,272.08
Winnipeg, City (Depot)	WPG	0	$110	$137,423	1,196.38
Winnipegosis, Village	NW	621	$185	$4,347	23.49
Woodlands, R.M.	I	3,453	$162	$6,478	40.04
Woodworth, R.M.	SW	939	$185	$297	1.61
				$7,744,824	**64,612.55**

By-Material Recovery of Eligible Materials

On average, Manitobans recycled approximately 55 kilograms per person (64,612,548 kgs/1,170,300 population in 2004) through local community recycling programs. Based on waste-generation estimates gathered through MPSC-funded municipal residential waste composition studies, this is equivalent to a recovery rate of approximately 70%.

While there are reasons to be cautious in interpreting the by-material weights reported to MPSC (see Important Notes beside table), the continuing trend towards higher recovery rates across all categories is positive news.

Chart 4 — By-Material Recovery

Eligible Material	Total Recycled 2004-2005 (tonnes)	Average Kgs Recycled Per Manitoban (2004 pop. = 1,170,300)	Estimated Generation (Kgs per capita) Source: 2000 Waste Comp. Studies	2004–2005 Recovery Rate
Newspapers, Magazines, Flyers & Telephone Directories	33,978.8	29.0	32.0	91%
Corrugated Cardboard	10,932.3	9.3	9.6	97%
PET Plastics	2,011.5	1.7	2.5	70%
4, 5, & 7 Rigid Plastics	878.2	0.8	1.5	51%
Glass Containers	5,138.0	4.41	12.4	35%
Boxboard	5,219.8	4.5	8.7	51%
Aluminum Cans	855.1	0.7	1.7	43%
Metal Cans	2,530.3	2.2	5.6	39%
Polycoat & Aseptic Containers	993.3	0.8	1.9	45%
HDPE Containers	2,075.3	1.8	3.5	51%
Total Eligible Materials	64,612.5	55.2	79.4	70%

Important Notes: Although MPSC requires that participating municipalities report by material, there are many reasons to be cautious in interpreting the by-material weights provided.

1. The waste generation numbers (denominator) used in calculating recovery rates are taken from the latest residential waste composition studies commissioned by the MPSC in the year 2000. Although the methodology used in these studies is considered state of the art and has been emulated by other jurisdictions, the results offer a snapshot over a short period of time and only include materials generated in households.
2. Individuals may bring newspapers, magazines and other periodicals home from other sources (offices) for recycling, resulting in higher recovery than just what is considered residential waste. Also, because of how newspapers, magazines and telephone directories are collected and processed for recycling, accurately separating each component of the mix is difficult and costly.
3. Recovery numbers reported by the MPSC include only those materials that are recycled through registered local recycling programs in participating communities. Manitoba also has many active charity-based organizations and individuals (e.g. Cancer Care and some Winnipeg fire stations) that collect recyclable materials for sale directly to brokers. The amount of material recycled through such activities is unknown at this time, but it is estimated to be substantial. This is most apparent in the recovery of aluminum beverage containers. In previous years, a third-party study conducted on behalf of MPSC estimated the total annual recovery rate for beverage containers to be above 60%.
4. MPSC has capped the amount of corrugated cardboard (OCC) that it will fund as a mechanism for capping its financial exposure to unknown amounts of corrugated cardboard generated in the province's commercial/institutional sector. The OCC amount shown in the table includes all OCC *collected by participating municipal recycling programs*, whether from households or other sources.

Promotion & Education

The Multi-Material WRAP Fund shall be used to provide or pay for any or all of the following:

A. the establishment and administration of a waste reduction and prevention program for designated material;

B. education programs for the purpose of the waste reduction and prevention program for designated material;

C. expenditures incurred in the collection, transportation, storage, processing and disposal of designated material in connection with the waste reduction and prevention program;

D. research and development activities related to the management of designated material;

E. promotion and development of activities and economic instruments to encourage reduction and prevention of waste-designated material;

F. the appropriate disposal of waste-designated material;

G. salaries and other costs of the Board and the Fund;

H. salaries and other costs of government for the administration and enforcement of the Act and this regulation as they relate to the responsibilities of the Board and the regulations respecting reduction and prevention of waste-designated material.

Introduction

A key component of MPSC's mandate is promotion and education (P & E). To satisfy the component and, more fundamentally, to drive recovery of designated materials, the MPSC takes a multi-pronged approach to P & E:

- tools, training and support materials to help municipalities promote their program and educate their residents;
- school and youth programs focussing on educating and empowering the next generation of recyclers; and
- media opportunities, advertising and partnerships with other stakeholders.

Municipal Promotion & Education

Due to the nature of our business, MPSC also must always balance the need for communication with the importance of creating as little waste as possible. To fulfill both requirements, we developed an address book of e-mail addresses for every one of our stakeholders, so that paper-free e-mails could take the place of letters and faxes. Our Web site, www.mpsc.com, became the central point of access for all business-plan communications.

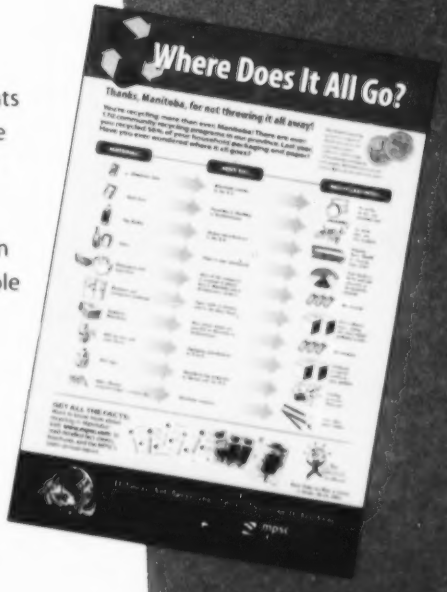
Devoting the 2004/2005 year to planning and "virtual" communication meant that new P & E tools were kept to a minimum. However, municipalities continued to enjoy our substantial assortment of tried and true tools and always available telephone P & E support. Expanding our on-line P & E offerings simply provided the missing link.

Municipalities continued to enjoy our substantial assortment of tried and true tools and always available telephone P & E support.

Municipal Promotion & Education Resources

The following resources have been developed for the purpose of educating residents about recycling. Municipal recycling representatives may contact MPSC to order the following materials on an as-needed basis. MPSC also provides free P & E technical assistance for municipalities who want to produce their own P & E materials.

- **Where Does it All Go:** The downsized flyer contains the same information and is available in hard-copy format for handout purposes. It is also available for download at www.mpsc.com.
- **Custom P & E Tools:** MPSC continued to provide customized envelope inserts to those communities starting new recycling programs, as well as to communities whose program details have changed. These items are customized with specific community recycling and waste management information. During 2004/2005, 15 communities ordered these materials.
- **Display/Handout Info:** A variety of promotional posters, brochures and fact sheets are also available free of charge to community recycling programs.



- **Loan Materials:** MPSC now offers four Recycled Products displays for loan to municipalities and recyclers, along with a video library borrowing service. Municipalities, recyclers and schools may borrow the display or videos for up to two weeks at a time. These items are very helpful in promoting recycling at community events and during displays and presentations.

Communications with Local Recycling Representatives

The following communications activities are for the purpose of keeping municipal recycling representatives informed about MPSC initiatives, reporting recycling information and statistics, and providing opportunities to network with fellow recycling program administrators.

- A regular **monthly bulletin** was distributed to municipalities and recyclers. The bulletin ensures that these stakeholders receive timely information about MPSC programs and supports. The bulletin also presents topics of interest from other jurisdictions, provides a forum for stakeholder inquiries and highlights high-achieving recycling programs here in Manitoba. Since early 2004, the bulletin has been distributed primarily via e-mail.
- Annual **workshops** took place in Brandon and Winnipeg in the fall of 2004. They included a combination of plenary sessions and break-out presentations. Over the last couple of years, MPSC has offered an opportunity for other organizations to present to workshop participants. Aside from MPSC, this year included presentations from MARRC, Manitoba Conservation, Manitoba Energy Science and Technology (Efficiency Manitoba), Manitoba Hydro and MOPIA. New topics added this year included presentations about water efficiency, Power Smart Programs and Manitoba's Sustainable Development Act. Feedback from workshop attendees about added topics was very positive.
- **Community recycling reports** were distributed to participating municipalities in October 2004. These reports assist municipalities in monitoring the success of their recycling programs and in setting goals for their community. A grading system gives users a simple way to evaluate their community recycling program.

MPSC Web Site Expansion

As part of our efforts to improve communications with our stakeholders, the MPSC undertook a repurposing of the Web site at www.mpsc.com in 2004. The Web site continues to be a valuable tool and has become more user-friendly.

Areas of interest include:

- The searchable **Municipal Directory** of all participating municipalities, including current and past recycling report cards, and links to municipal Web sites and community-specific recycling information.
- The **Promoting Your Recycling Program** section includes downloadable recycling clip art, the MPSC Community Recycling Handbook, and a wide variety of MPSC-produced P & E tools.
- The **Municipal News** section is devoted to current news stories about community recycling programs in Manitoba. This section enables the municipal official to keep abreast of recycling initiatives in neighbouring municipalities.
- The **Home Page** has dynamic content, timely links to other Manitoba-based environmental organizations and up-to-the-minute MPSC news.

STAR Program

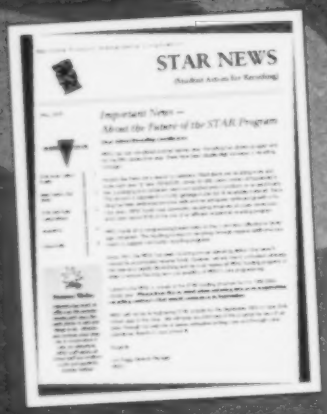
MPSC's STAR (Student Action for Recycling) program continues to grow and evolve with each passing year. Introduced in September 1997, STAR is a waste-reduction education program that MPSC developed for Manitoba K-S4 schools.

During 2004–2005, 725 schools participated in the STAR Program. This represents 80% of the schools in the province.

The basic requirement for participation in the STAR program is that schools must have an in-school recycling program. Any funds remaining from the honorarium may be spent on one or more of the following activities:

- Environmental field trips
- School ground beautification/naturalization
- Environmental books, videos or computer software
- Environmental speakers/entertainers
- Composting projects
- Recycling containers
- Recycling pick-up service
- Rewards or incentives for school environmental clubs
- Community/school clean-up activities

Schools who wish to take part in the STAR program are asked to fill out a questionnaire, simply by going on-line at our educational Web site www.virtualrecycling.com. There is an annual registration process that schools must complete at the end of each school year.



STAR provides various resources, tools and assistance to schools involved in the program, such as the following:

- **Newsletter** –This publication goes out three times a year and includes important reminders, special events, recycling tips, school profiles, answers to frequently asked questions, and much more.
- **www.virtualrecycling.com** – This is a great resource site geared towards teachers and students. It provides information on current news and events, a school profile section where schools can share their project activities, and an on-line registration form for schools to register. This further reduces paper use – over 600 schools registered on-line last year.
- **Free STAR Items** – MPSC continues to provide many free STAR tools, such as sticker sheets, temporary tattoos, badges, perpetual folders, posters and reusable lunch bags that can be used as draws and given as incentives.
- **Sixth Annual STAR Poster Contest** – There were almost 400 posters submitted to MPSC. About 3,000 drawings were created in the classroom for this contest. Our two judges, Mary Melnychuk of the Environmental Speakers Bureau and Joe Grande of Grandesign chose 1st, 2nd, and 3rd place winners. Winners received personalized t-shirts with their artwork printed on it, a framed or mounted reproduction of their drawings and reusable lunch bags. All participants received STAR stickers. The winning posters were featured on our 10-month school calendar and our educational Web site. The school calendar was distributed to all schools in September 2004.
- **Environmental Speakers Bureau (ESB)** – MPSC continues to support the Resource Conservation Manitoba's ESB program. The Environmental Speakers Bureau enables Winnipeg teachers to schedule time for a trained presenter to come to their school and do a presentation on an environmental topic. During 2004–2005, over 220 presentations were given to over 45 Winnipeg-area schools. The Ready, Set, Recycle resource kit is also available for teachers outside the capital region and continues to be a widely effective classroom tool.
- **Manitoba Envirothon** – For the fifth consecutive year, MPSC provided some financial support to the Manitoba Envirothon. Envirothon is an Olympic-style competition geared towards high school students to help them learn about the natural environment. Last year, this organization was given reusable lunch bags.
- **Partnerships** – MPSC has assisted non-profit organizations by incorporating some of their environmental education messages through the STAR mailings to Manitoba schools. During 2004–2005, STAR mailings included information about the International Walk to School Day, the Environmental Speakers Bureau, the National Waste Reduction Week, and the Green Commuting High School Programs, among others.

P & E - Other Stakeholders

In addition to directing communication to schools and municipal recycling programs, MPSC's P & E efforts encompass other stakeholders. These include non-registered municipalities, Northern Affairs communities, recycling industry representatives, beverage industry and other stewards, government and statutory corporations, and the general public. Several communication tools are targeted to these various groups, including:

www.mpsc.com

A more dynamic home page content means stakeholders who often visit have access to up-to-date information at all times. This year we added a web-counter that we update regularly. It's a great way to keep track of how many kilograms have been recycled since 1995.

Stewardship Circle

MPSC's newsletter continues to provide a forum for MPSC issues and news items.

Media Releases

Keeping MPSC news and events in the public eye is increasing in importance. To that end, several newsworthy items were issued to media throughout the province.

Outdoor Advertising

We utilize outdoor advertising as our vehicle for Litter Awareness. Once again, "Keep Our Nature Natural – Don't Litter" was displayed on highway boards throughout the province.

Technical Services & Support

The Multi-Material WRAP Fund shall be used to provide or pay for any or all of the following:

A. the establishment and administration of a waste reduction and prevention program for designated material;

B. education programs for the purpose of the waste reduction and prevention program for designated material;

C. expenditures incurred in the collection, transportation, storage, processing and disposal of designated material in connection with the waste reduction and prevention program;

D. research and development activities related to the management of designated material;

E. promotion and development of activities and economic instruments to encourage reduction and prevention of waste-designated material;

F. the appropriate disposal of waste-designated material;

G. salaries and other costs of the Board and the Fund;

H. salaries and other costs of government for the administration and enforcement of the Act and this regulation as they relate to the responsibilities of the Board and the regulations respecting reduction and prevention of waste-designated material.

The Evolution of Manitoba's Recycling Rate Since 1995: A Recipe for Success

If someone asked you in 1995 if Manitoba's municipal recycling programs would recover 64,613 tonnes by 2005, would you have answered yes? Most people would be skeptical of such a claim and would have answered no. Well, the truth is that Manitobans are now recycling at a rate 13 times higher than in 1995. This is an amazing accomplishment.

What is the key for an effective and efficient recycling program? When we review the most successful programs in the province, three main characteristics stand out.

1. Planning

In the early days of municipal recycling programs, common sense was used in place of practical experience in the decision-making process. Today, there is a lot of practical experience, which is widely shared between municipalities. Tailor your recycling program to fit the needs of your community.

2. Communication

Ongoing communication is a critical component of an effective and efficient recycling program. When developing a new recycling program, keeping everyone informed during the process and educating residents about how their new recycling program operates, assist in getting community buy-in. Constant feedback and reporting on results keep residents interested and participating.

3. Customer Service

All successful businesses have good customer service. Reliability, responsiveness and consistency are hallmarks of an effective and efficient recycling program. Clear and concise instructions lessen frustration for participants. All facets of the interaction between your recycling program and the customer will determine your success.

With constant focus on careful planning, effective communication and good customer service, Manitoba's recycling rate will continue to climb.

David Crawford,

Markets and Technical Services Manager

When developing a new recycling program, keeping everyone informed during the process and educating residents about how their new recycling program operates, assist in getting community buy-in.

The following organizations, communities and recycling service providers received assistance during the past year:

1. Berens River First Nation
2. Birdtail Sioux First Nation
3. Brandon University
4. Canadian Association of Recycling Industries
5. Canadian Broadcasting Corporation
6. City of Brandon
7. College Universitaire de St. Boniface
8. Dakota Plains First Nation
9. Eastman Recycling-Steinbach
10. Flin Flon and District Recycling
11. Garden Hill First Nation
12. God's Lake Community
13. God's Lake Narrows First Nation
14. God's River First Nation
15. Indian and Northern Affairs Canada
16. Lac Brochet First Nation
17. Manitoba Department of Energy, Science & Technology
18. Manitoba Government Services
19. Manitoba Parks ; including
    Hecla Provincial Park
    Paint Lake Provincial Park
    Whiteshell Provincial Park
20. Natural Resources Canada
21. Neepawa
22. North Central Community Futures Development Corporation
23. Oxford House First Nation
24. Peguis First Nation
25. Portage and District Recycling
26. Qualico
27. Red River College
28. Red Sucker Lake First Nation
29. RM of Coldwell
30. RM of Eriksdale
31. RM of Louise
32. RM of North Norfolk
33. RM of Pipestone
34. RM of Siglunes & Town of Ashern
35. Rocky Road Recycling

2004–2005 Market and Technical Service Assistance Summary

MPSC marketing and technical support is comprised of several key services:

- **Marketing Support:** The MPSC collects and maintains a comprehensive list of available recycling markets. Municipalities and recycling agents can request assistance with evaluating the best net revenue for their recyclables. The MSPC monitors market revenues for all MPSC-eligible materials on a monthly basis.
- **Collection and Processing Evaluation:** On an as-needed basis, the MPSC will evaluate current collection and processing options for municipalities and/or their service providers, and make suggestions that municipalities could consider.
- **On-Site Evaluations:** As required, the MPSC will make site visits to municipalities and their processors. These evaluations and subsequent follow-ups are designed to help municipalities that are striving to improve and/or wish to make substantial changes to their recycling programs.
- **Cost Analysis:** Several municipalities have requested information about cost analysis. The MPSC will not perform full-cost accounting analysis for municipalities. Rather, it will provide educational materials and case studies, and help to explore potential collection, processing, marketing, and transportation and promotion opportunities that can be utilized to analyze options and their costs.
- **Transportation Resources:** The MPSC actively encourages municipalities and service providers to utilize proper shipping techniques and practices. This includes the use of backhaul opportunities to reduce shipping costs. The MPSC maintains a list of potential carriers with which municipalities consult.

The MPSC acts as a resource for recycling stakeholders. Consistent with the voluntary nature of the MPSC, local governments ultimately decide the best course of action for their communities.

STAR Plus Program

2004/2005 was another successful year for the STAR Plus program. All STAR Plus participants increased their recycling rates and completed detailed waste audits this past year. Students continue to be a critical part of the success of the STAR Plus program.

Congratulations to all the STAR Plus participants for both their recycling accomplishments and environmental leadership.

The specific objectives of the STAR Plus program are to:

- decrease the amount of MPSC-designated materials going to landfill;

- reduce the expense post-secondary educational institutions currently incur for removal and disposal of MPSC-designated materials;
- provide the MPSC with measurable feedback about the results and costs of recycling and waste reduction activities at post-secondary institutions in Manitoba; and
- create a learning opportunity for students, faculty and staff through active learning and participation.

The MPSC is pleased to recognize the following post-secondary educational institutions that participated in the STAR Plus program this past year:

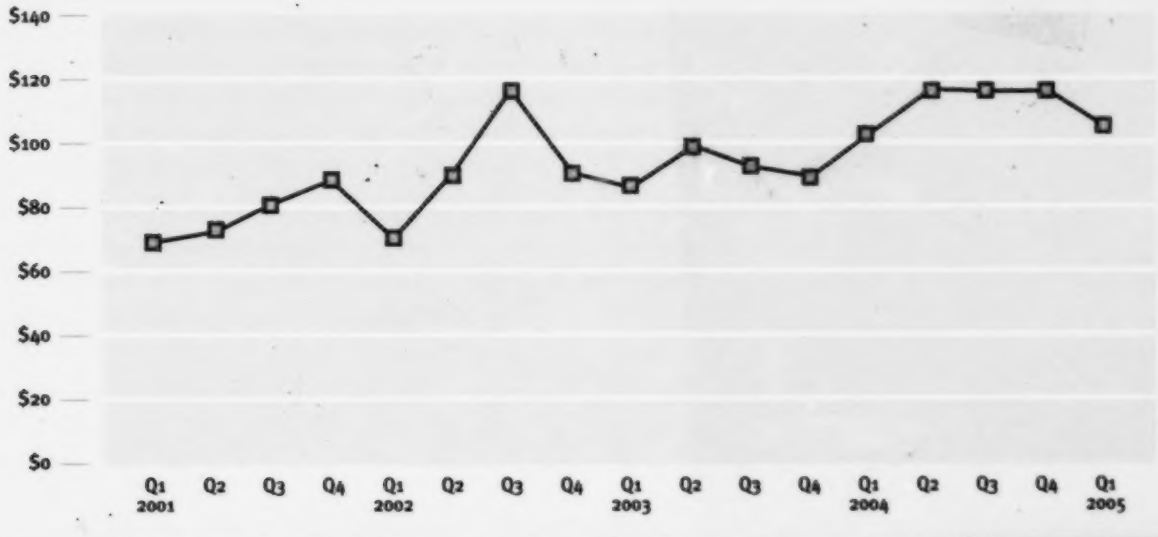
- College Universitaire de St. Boniface, Winnipeg
- Keewatin Community College, The Pas and Thompson
- Red River College, Winnipeg
- University of Manitoba, Winnipeg
- University of Winnipeg, Winnipeg

Revenue Monitoring

The MPSC monitors municipal recycling revenues in Manitoba on a monthly basis. Recycling revenues this past year were once again strong and fairly consistent. Last year the sale of recyclables generated between six and seven million dollars in revenues. Will these revenues continue? There are too many factors that affect recycling revenues to say for certain. However, it is safe to assume that recycling markets won't disappear any time soon. In fact, it can be stated that recycling markets are now an important part of both our local and the global economies.

36. Rolling River First Nation
37. Roseau River First Nation
38. Sagkeeng First Nation
39. Shamattawa First Nation
40. Sprucedale Industries
41. St. Theresa Point First Nation
42. Statistics Canada
43. Tembec
44. Thicket Portage Community Council
45. Thompson Recycling Centre
46. Town of Hartney
47. Town of Virden
48. University of Manitoba
49. University of Waterloo
50. University of Winnipeg
51. Village of Waskada
52. Wardrop Engineering
53. Wasagamak First Nation
54. Westman Recycling - Brandon
55. Winnipeg Chamber of Commerce
56. York Factory First Nation

Chart 5 — MPSC Quarterly Revenue Monitoring Q1 2001 to Q1 2005: $/Tonne



Stewards Programs

"A steward of beverage containers shall pay a WRAP levy at the rate of 2 cents per container that contained a beverage that is supplied by the steward for consumption in Manitoba

Source: The Waste Reduction and Prevention Act (C.C.S.M c. W

Manitoba Regulation 39/95 Multi-Material Stewardship (Inter Measures) Regulation

Introduction:

All MPSC's activities and programs are financed through revenues designated by government regulation. Currently, all revenues are derived from levies on beverage containers collected from licensed product stewards.

Stewards of Designated Materials

The Multi-Material Stewardship (Interim Measures) Regulation (39/95) requires companies supplying non-deposit, ready-to-serve beverage containers in Manitoba to obtain a Product Steward Licence from the Manitoba Product Stewardship Corporation. The Regulation also requires Product Stewards to register, report containers supplied and remit a 2¢ WRAP Levy on all non-deposit, ready-to-serve beverage containers supplied in Manitoba.

During the 2004–2005 Manitoba Product Stewardship Program year, 88 companies were licensed as Product Stewards to supply beverage containers in Manitoba. These 88 companies remitted approximately $7.5 million in 2¢ WRAP Levies to the MPSC during 2004–2005. For the first time since the inception of MPSC, there was no increase in beverage levy revenues over the previous year. (Figures are based on numbers before accrual for late reporting of levies and provisions under the MPSC Credit Program.)

The 2¢ WRAP Levy is applicable only on beverage containers supplied in Manitoba. The Credit Program area of the MPSC is a mechanism whereby Licensed Product Stewards may apply for reimbursement of WRAP Levies for out-of-province sales of applicable materials. The Credit Program also addresses occasions of double remittances and over remittances on applicable materials. Just over $215,000 was paid out to the five Product Stewards that requested and qualified for credits during the 2004/2005 Program year. (Figures are based on numbers before accrual for late reporting of levies and provisions under the MPSC Credit Program.)

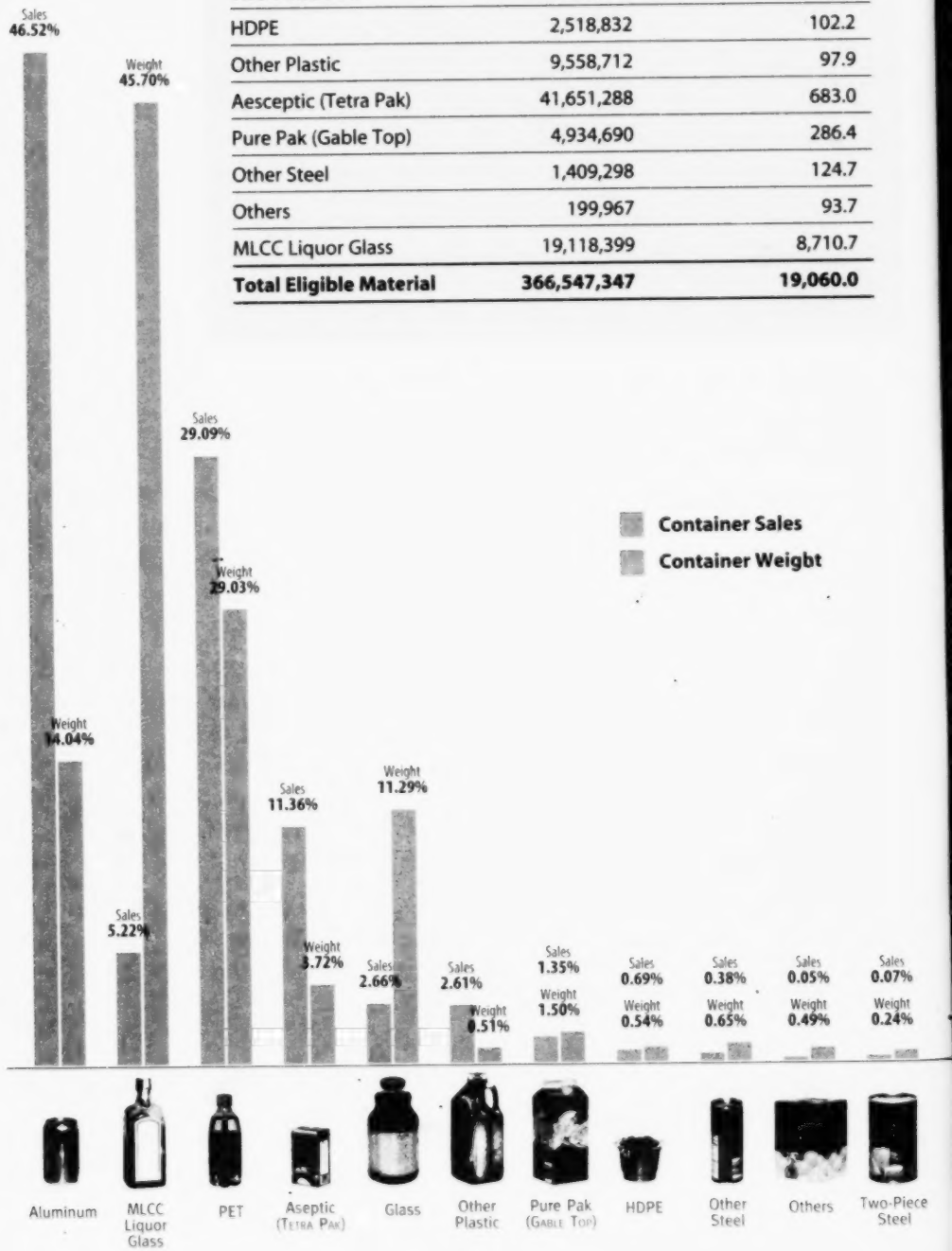
Compliance Review procedures, as part of the compliance/enforcement area of the Stewards Program, are performed on a rotating schedule and may take the form of desk, field or forensic review. All compliance review procedures are performed by an independent, third-party organization to maintain confidentiality of sensitive sales information. In addition to the compliance reviews, periodic in-store monitoring is conducted to ensure that the applicable materials are properly registered by the MPSC.

All Stewards Program materials are available on our Web site at www.mpsc.com. This includes all Product Stewards licence and registration forms, and the related filing guides. There has also been an increase in the use of electronic media with Product Stewards for reporting, communication, payment and administration.

For the first time since the inception of MPSC there was no increase in beverage levy revenues over the previous year.

Chart 6 — 2005 2¢ WRAP Levy Beverage Containers Supplied in Manitoba

Container Material	Container Sales	Container Weight
Aluminum	170,500,334	2,676.5
PET	106,643,761	4,087.2
Glass	9,754,054	2,151.6
Two-Piece Steel	258,012	45.8
HDPE	2,518,832	102.2
Other Plastic	9,558,712	97.9
Aesceptic (Tetra Pak)	41,651,288	683.0
Pure Pak (Gable Top)	4,934,690	286.4
Other Steel	1,409,298	124.7
Others	199,967	93.7
MLCC Liquor Glass	19,118,399	8,710.7
Total Eligible Material	**366,547,347**	**19,060.0**



Financial Statements March 31, 2005

AUDITORS' REPORT

To the Board of Directors of

Manitoba Product Stewardship Corporation

We have audited the balance sheet of Manitoba Product Stewardship Corporation as at March 31, 2005 and the statements of operations and fund balance and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Ernst & Young LLP

Winnipeg, Canada,
May 19, 2005

Chartered Accountants

Manitoba Product
Stewardship Corporation
Incorporated under the laws of Manitoba

BALANCE SHEET

As at March 31

	2005 $	2004 $
ASSETS		
Current		
Cash and term deposits [note 2]	**3,007,375**	5,260,412
Interest receivable	**11,163**	17,045
Levies receivable	**744,553**	630,899
Prepaid expenses and deposits	**13,326**	11,837
Total current assets	**3,776,417**	5,920,193
Capital assets [note 3]	**15,087**	22,192
	3,791,504	5,942,385
LIABILITIES AND FUND BALANCE		
Current		
Accounts payable and accrued liabilities	**75,528**	118,875
Recycling support payments payable	**1,381,414**	1,803,909
Total current liabilities	**1,456,942**	1,922,784
Fund balance		
Multi-Material WRAP Fund	**2,334,562**	4,019,601
	3,791,504	5,942,385

See accompanying notes

On behalf of the Board:

Director

Director

Manitoba Product
Stewardship Corporation

STATEMENT OF OPERATIONS AND FUND BALANCE

Year ended March 31

	2005 $	2004 $
REVENUE		
Beverage levy revenue	7,569,563	7,574,103
Levy rebates	(215,724)	(200,668)
Interest [note 2]	91,279	165,465
	7,445,118	7,538,900
EXPENSES		
Programs		
Municipal		
Recycling support payments to municipalities	7,744,825	7,436,010
Municipal support	92,598	86,460
	7,837,423	7,522,470
Steward		
Compliance of WRAP Act	—	24,075
School		
STAR – school honorariums	362,500	365,500
STAR Plus – post secondary	144,575	141,700
School promotion and education	99,837	103,279
	606,912	610,479
Corporate promotion/partnerships		
Anti-litter campaign	43,452	58,159
Advertising and promotion	11,795	53,665
Partnerships/sponsorships	20,500	29,066
	75,747	140,890
	8,520,082	8,297,914
Administrative [schedule]	610,075	629,542
	9,130,157	8,927,456
Excess of expenses over revenue	(1,685,039)	(1,388,556)
Fund balance, beginning of year	4,019,601	5,408,157
Fund balance, end of year	2,334,562	4,019,601

See accompanying notes

Manitoba Product
Stewardship Corporation

STATEMENT OF CASH FLOWS

Year ended March 31

	2005 $	2004 $
OPERATING ACTIVITIES		
Excess of expenses over revenue	(1,685,039)	(1,388,556)
Add charges to operations not requiring a current cash payment		
Amortization	7,105	12,023
	(1,677,934)	(1,376,533)
Net change in non-cash working capital balances related to operations		
Interest receivable	5,882	4,636
Levies receivable	(113,654)	(27,787)
Prepaid expenses and deposits	(1,489)	(1,427)
Accounts payable and accrued liabilities	(43,347)	13,030
Recycling support payments payable	(422,495)	897,219
Provision for credits on levy revenue	—	(25,000)
Cash used in operating activities	(2,253,037)	(515,862)
INVESTING ACTIVITIES		
Purchase of capital assets	—	(7,941)
Cash used in investing activities	—	(7,941)
Decrease in cash during the year	(2,253,037)	(523,803)
Cash position, beginning of year	5,260,412	5,784,215
Cash position, end of year	3,007,375	5,260,412

Cash position consists of cash and term deposits.

See accompanying notes

Manitoba Product
Stewardship Corporation

NOTES TO FINANCIAL STATEMENTS

March 31, 2005

1. Organization and Significant Accounting Policies

Organization

Manitoba Product Stewardship Corporation ["MPSC"] was established under the Waste Reduction and Prevention Act ["WRAP"] – Multi-Material Stewardship (Interim Measures) Regulations [the "Regulations"] with the following objectives:

[a] To establish and administer a waste reduction and prevention program for designated materials for Manitoba;
[b] To provide for the effective, efficient and economical management of waste designated materials; and
[c] To administer the Multi-Material WRAP Fund.

The Multi-Material WRAP Fund is an industry-operated fund which provides for, among other initiatives, recycling support payments to municipal and local governments for eligible materials recovered from residential waste and delivered to an approved recycling facility. The Fund is currently funded by collection of levies on beverage containers supplied by a steward of beverage containers (Product Steward) to be consumed in Manitoba.

MPSC is exempt from income tax under Section 149 of the Income Tax Act.

Levy revenue and recycling support payments to municipalities

Levy revenue is charged on all non-deposit [excluding dairy] beverage containers supplied for consumption in Manitoba, subject to certain exemptions, by a Product Steward. Pursuant to the Regulations, a Product Steward is defined as the first person or business in Manitoba who, in the course of business, supplies beverages in containers to another person or business. Beverage levy revenue is recognized when the amount is received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Product Stewards are eligible for credits if the beverage containers on which levies have been previously paid were supplied to consumers outside of Manitoba or if the levies are inadvertently paid by two Product Stewards on the same beverage containers. Levies are collected and credits are paid based on self assessments as reported by Product Stewards.

Recycling Support Payments to municipalities are paid to registered Manitoba municipalities based on the tonnage of eligible materials delivered to an approved recycling facility as reported by the municipalities to MPSC.

NOTES TO FINANCIAL STATEMENTS, March 31, 2005, cont.

Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided for by the following annual rates and methods:

Furniture and fixtures	20%	declining balance
Computer hardware	30%	declining balance
Computer software	100%	straight line

Financial instruments

Financial instruments include cash and term deposits, interest receivable, levies receivable, accounts payable and accrued liabilities and recycling support payments payable. It is management's opinion that MPSC is not exposed to significant interest, currency, or credit risks arising from these financial instruments. Due to their short-term nature, the book value of the MPSC's financial assets and liabilities approximates their fair value.

Use of estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. CASH AND TERM DEPOSITS

Included in cash and term deposits are term deposits recorded at cost, held in trust by the Department of Finance of the Province of Manitoba. The term deposits bear interest at 2.45% [2004 - 2.30%] per annum and mature on May 2, 2005.

3. CAPITAL ASSETS

	2005			2004		
	Cost	Accumulated amortization	Net book value	Cost	Accumulated amortization	Net book value
	$	$	$	$	$	$
Furniture and fixtures	25,461	18,441	7,020	25,461	16,687	8,774
Computer						
Hardware	76,431	68,364	8,067	76,431	64,907	11,524
Software	147,782	147,782	—	147,782	145,888	1,894
	249,674	234,587	15,087	249,674	227,482	22,192

NOTES TO FINANCIAL STATEMENTS, March 31, 2005, cont.

4. LEASE COMMITMENTS

MPSC rents office space and equipment under various leases which expire over the next four years. Future minimum lease payments required are as follows:

	$
2006	79,678
2007	9,878
2008	4,963
2009	2,818

Manitoba Product
Stewardship Corporation

SCHEDULE OF ADMINISTRATIVE EXPENSES

Year ended March 31

	2005 $	2004 $
Board members' expenses	3,697	5,014
Communication	11,811	14,803
Contract financial management	50,744	45,202
Amortization	7,105	12,023
Equipment, leasing, repairs and maintenance	20,462	21,347
Insurance	14,096	12,167
Office	45,471	48,869
Professional fees	15,610	15,369
Promotion	1,924	1,923
Rent	48,934	45,258
Salaries, wages and benefits	384,274	400,077
Subscriptions	4,457	6,153
Travel and automotive	1,490	1,337
	610,075	629,542

See accompanying notes

BOARD OF DIRECTORS & STAFF

(at time of publication)

Board

John Clarkson (Chair)	*Energy, Science and Technology*
Jane MacKay (Vice-Chair)	*Beverage Industry*
Rudy Redekop (Sec-Treasurer)	*Publishing/Printing Industry*
Stan Ward	*Association of Manitoba Municipalities*
Rick Martel	*Association of Manitoba Municipalities*
J. Dan McInnis	*City of Winnipeg*
Keith McDougall	*Retail Sector*
Jim Ferguson	*Manitoba Conservation*
John Sinclair	*Consumers*

Staff

Jim Fogg	*General Manager*
Michael Fernandes	*Senior Manager, Municipal Programs*
Darryl Nicholson	*Steward Programs*
Gina Borkofski	*Municipal Systems Coordinator*
David Crawford	*Markets and Technical Services Manager*
Nathalie Balcaen	*Administrative Assistant/Star Program Coordinator*

How This Report Was Made

This annual report is printed on recycled paper with vegetable oil-based inks. Please recycle where facilities exist.

mpsc

Manitoba
Product Stewardship
Corporation

280-530 Kenaston Boulevard, Winnipeg Manitoba R3N 1Z4